

This Day in History... June 24, 1904

First Canal Zone Stamps Issued

On June 24, 1904, the US issued its first stamps for use in the Canal Zone. With military assistance from the United States, Panama declared its independence from Columbia on November 3, 1903. The Hay–Bunau–Varilla Treaty was negotiated, then ratified in Panama on December 2, 1903. The United States followed suit on February 23, 1904, clearing the way for a long-anticipated canal project across the Panama isthmus.



One of the first stamps issued for use in the Canal Zone



US #300 was overprinted for use in the Canal Zone

Almost immediately, administrators began preparations for the tremendous influx of people who would eventually assemble to work on the project. Faced with the knowledge that most of the work force would be imported to the region from America and Caribbean countries, authorities quickly established a postal service to serve their needs as well as those of the Canal Commission.

On June 24, 1904, postal service was established as part of the US Department of Revenue under the supervision of the treasurer of the Canal Zone, Paymaster E. C. Tobey. On this day, post offices were opened in Ancon, Cristóbal, Gatun, Culebra, and Balboa. Railroad station agents operated as postmasters.

A small supply of 2¢, 5¢, and 10¢ Panama stamps were overprinted “Canal Zone.” Only ordinary mail was handled by the Canal Zone postal system. Mail destined for Central and South America and the West Indies was turned over to the Panama postal service to be forwarded, while mail sent to the United States and its territories and possessions were sent to the US aboard vessels departing for New York.



One of the first Canal Zone Airmail stamps produced without an overprint

Overprinted Panama stamps were in use for less than a month. On July 18, 1904, they were replaced by US postage stamps overprinted “Canal Zone.” However, US stamps with images of famous Americans like Washington and Franklin weren’t popular with Panamanians in the Canal Zone. As a result of protests from officials and businesses, the Taft Agreement went into effect.

The first permanent issue Canal Zone stamp

It required Canal Zone stamps to be overprinted Panama issues, with 40% of the face value paid to Panama’s government. The US overprints were removed from sale in December 1904. All remaining quantities (almost 99%) were destroyed in 1906. Taft’s executive order was reversed in 1924, when overprinted US stamps were placed in use again.

On October 1, 1928, the first permanent-issue Canal Zone stamp was placed on sale. The 2¢ stamp featured Lt. Col. George W. Goethals, the canal project’s chief engineer and first Canal Zone governor.

The following year the Canal Zone issued its first Airmail stamps. These were Canal Zone stamps overprinted with “Airmail” and the denomination. The first Airmail stamps produced specifically for the Canal Zone were issued in 1931. They also issued Postage Due, Airmail Official, and Official stamps. The last Canal Zone stamp was issued on October 25, 1978. The Canal Zone ceased to exist on October 1, 1979 as a result of the Torrijos–Carter Treaty.



The last regular issue Canal Zone stamp

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